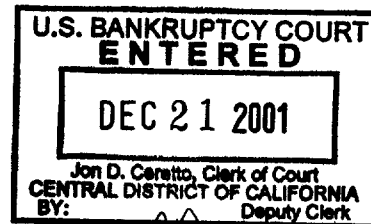
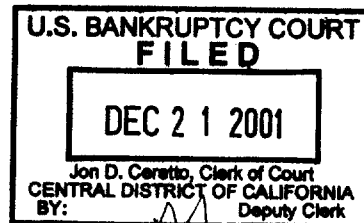


HENNIGAN, BENNETT & DORMAN
James O. Johnston (SBN 167330)
Karen L. Kupetz (SBN 207494)
601 South Figueroa Street, Suite 3300
Los Angeles, California 90017
Telephone: (213) 694-1200
Fax: (213) 694-1234

Attorneys for Debtor



UNITED STATES BANKRUPTCY COURT
FOR THE CENTRAL DISTRICT OF CALIFORNIA

RIVERSIDE DIVISION

In re

CITY OF DESERT HOT SPRINGS,

Debtor.

) Case No. RS01-30756 DN

) Chapter 9

) **CONFIRMATION OF ORDER FOR
RELIEF UNDER CHAPTER 9 PURSUANT
TO 11 U.S.C. § 921(d) AND APPROVAL OF
FORM OF NOTICE OF
COMMENCEMENT OF CASE AND
NOTICE OF ORDER FOR RELIEF**

[No Hearing Required]

Upon consideration of the "Ex Parte Application For Entry Of Order: (A) Confirming Order For Relief; And (B) Approving Form Of Notice Of Commencement Of Case And Notice Of Order For Relief" (the "Application"), filed by the City of Desert Hot Springs, a California general law city (the "City") on December 19, 2001; the Court finding that notice of the Application was reasonable and appropriate under the circumstances; and the Court determining that the relief requested in the Application is appropriate and in the best interests of the creditors in this case;

IT HEREBY IS ORDERED THAT:

1. The Application is GRANTED.
2. Pursuant to section 301 of the Bankruptcy Code, an order for relief under chapter 9 of the Bankruptcy Code was automatically entered upon the filing of a voluntary petition by the City.

1 3. The form of notice of commencement of case and notice of order for relief attached
2 to the Application as Exhibit B (the "Notice") is approved.

3 4. Service of the Notice by first class mail on the United States Trustee, all entities
4 identified on the List of Creditors filed by the City pursuant to section 924 of the Bankruptcy Code,
5 and publication of the Notice on at least three occasions in the Los Angeles Times and Bond Buyer,
6 shall satisfy the requirements of section 923 of the Bankruptcy Code.

7 5. Nothing in this order shall impair or otherwise prejudice the right of any party in
8 interest to object under section 921(c) of the Bankruptcy Code to the City's petition.

9 6. Any and all objections to the City's eligibility for relief under chapter 9 must be filed
10 with the Bankruptcy Court and served upon counsel for the City so as to be received by no later than
11 thirty (30) days after the date of mailing of the Notice. Untimely objections will not be considered
12 by the Court.

13
14 DATED: **DEC 21 2001**


UNITED STATES BANKRUPTCY JUDGE

**UNITED STATES BANKRUPTCY COURT
CENTRAL DISTRICT OF CALIFORNIA
3420 Twelfth Street, Riverside, CA 92501**

In Re:

CITY OF DESERT HOT SPRINGS

Case No.: RS01-30756 DN

Chapter : 9

Debtor(s)

NOTICE OF ENTRY

TO: Debtor(s); Debtor(s)' Attorney of Record; Interim Trustee; U.S. Trustee; All parties in interest:

NOTICE IS HEREBY GIVEN that the foregoing Order/Judgment has been entered on date stamped on the face of the pleading.

CERTIFICATE OF MAILING

I hereby certify that the within order/judgment was mailed to the following parties (where applicable): Debtor(s); Attorney of Record; Interim Trustee; U.S. Trustee; Other Parties in Interest; as designated by this court, at the addresses provided by the prevailing party, on December 21, 2001.

Jon D. Ceretto

Clerk of Court

Susan B. Smith

SUSAN B. SMITH

Deputy Clerk, U. S. Bankruptcy Court

The within order was mailed to the following parties in interest:

CITY OF DESERT HOT SPRINGS
C/O HENNIGAN, BENNETT & DORMAN
601 SOUTH FIGUEROA STREET, SUITE 3300
LOS ANGELES, CA 90017

UNITED STATES TRUSTEE
3420 TWELFTH STREET
SUITE 200
RIVERSIDE, CA 92506-3837